



January 18, 2008

SENATE BILL No. 100

DIGEST OF SB 100 (Updated January 17, 2008 10:09 am - DI kc)

Citations Affected: Noncode.

Synopsis: Committee to study taxation of homestead property. Establishes the Interim Study Committee on the Taxation of Homestead Property. The committee is to study various issues surrounding the possible elimination of the taxation of homestead property, including sources of replacement revenue and the impact on homeowners and local government. The committee is required to issue a final report by December 1, 2008, including legislative proposals for the 2009 legislative session, if recommended by the committee.

Effective: Upon passage.

**Long, Hershman, Merritt, Young R,
Hume, Lawson C, Lubbers, Gard,
Steele, Bray**

January 8, 2008, read first time and referred to Committee on Rules and Legislative Procedure.
January 17, 2008, amended — Do Pass; reassigned to Committee on Rules and Legislative Procedure.

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SB 100—LS 6085/DI 13+



January 18, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 100

A BILL FOR AN ACT concerning the General Assembly.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this
2 SECTION, "committee" refers to the Interim Study Committee on
3 the Taxation of Homestead Property.

4 (b) There is established the Interim Study Committee on the
5 Taxation of Homestead Property. The committee consists of fifteen
6 (15) members, who shall be selected as follows:

7 (1) Four (4) members appointed by the president pro tempore
8 of the senate from the membership of that body. No more
9 than two (2) members may be members of the same political
10 party.

11 (2) Four (4) members appointed by the speaker of the house
12 of representatives from the membership of that body. No
13 more than two (2) members may be members of the same
14 political party.

15 (3) One (1) member employed by a public or private
16 institution of higher education who is a recognized expert in
17 property taxation appointed by the president pro tempore of
18 the senate.

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(4) One (1) member employed by a public or private institution of higher education who is a recognized expert in economics appointed by the speaker of the house of representatives.

(5) One (1) member who is employed in and representing the real estate and homebuilding industry appointed by the president pro tempore of the senate.

(6) One (1) member who is employed in and representing the agricultural community appointed by the speaker of the house of representatives.

(7) One (1) member who is a representative of the business community appointed by the president pro tempore of the senate.

(8) One (1) member who is a representative of local government appointed by the speaker of the house of representatives.

(9) One (1) member who is a representative of an organized citizens group active in the property tax reform movement appointed by the president pro tempore of the senate.

The chairperson of the committee shall be appointed by the president pro tempore of the Senate from the Senate members.

(c) The committee shall examine the following issues in regard to the possible elimination of property taxation of homestead property:

(1) Revenue alternatives to replace property taxes that would be lost to local government and schools, including but not limited to the expansion of the sales tax to services and the imposition of real estate transfer fees.

(2) The impact on economic development and economic competitiveness with other states.

(3) The impact on the budget process for units of local government and schools.

(4) The positive and negative impacts on residential property and the homebuilding industry.

(5) Measures that could be taken to avoid tax shifts among taxpayer groups that could arise from decreasing property taxes and increasing other taxes or fees.

(6) The extent to which mechanisms exist to efficiently and fairly return replacement revenue generated by the state to local government and schools.

(7) Measures that could be taken to ensure that local decision authority is not diminished as a result of increased state

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1 financial responsibility for local programs.

2 (8) The extent to which a large increase in the state budget
3 arising from increased distributions to local government and
4 schools would require greater state reserves and balances.

5 (9) Administrative savings in the assessment of homesteads.

6 (10) Any other issues deemed relevant by the committee.

7 (d) The committee shall issue a final report no later than
8 December 1, 2008. If recommended by the committee, the report
9 shall include proposed legislation for introduction in the 2009
10 session of the General Assembly.

11 (e) The committee shall meet as needed to accomplish the
12 purposes of this act.

13 (f) The affirmative votes of a majority of the members
14 appointed to the committee are required for the committee to take
15 action on any measure, including final reports.

16 (g) Members of the committee are entitled to per diem and
17 travel allowances in the same amounts as the legislative council
18 provides for members of interim study committees.

19 (h) The legislative services agency shall provide legal and fiscal
20 staff support to the committee.

21 (i) This SECTION expires December 31, 2008.

22 SECTION 2. An emergency is declared for this act.

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SENATE MOTION

Madam President: I move that Senators Young R and Hume be added as coauthors of Senate Bill 100.

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SENATE MOTION

Madam President: I move that Senator Hershman be added as second author, Senator Merritt be added as third author, and Senators Lawson C, Lubbers, Gard, Steele and Bray be added as coauthors of Senate Bill 100.

LONG

COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 100, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning the General Assembly.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Rules and Legislative Procedure.

(Reference is to SB 100 as introduced.)

LONG, Chairperson

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